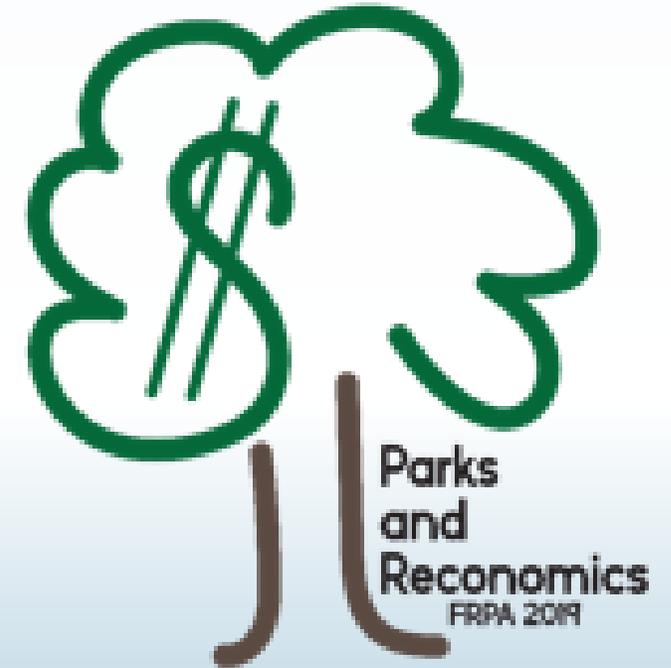


Moving from a Municipal to an Enterprise Mind set

2019 Florida Recreation and Park Association
Annual Conference

Chris Nunes, CPRE
Director of Parks and Recreation
The Woodlands Township (Texas)



FRPA

**FLORIDA RECREATION
& PARK ASSOCIATION**

Objectives



- Enable participants to gain and apply an understanding of the **enterprise approach** towards parks and recreation
- **Develop a plan** to enable an agency enable an enterprise approach
- **Instill an ethic for boldness and innovation** in decision making



Enterprise Approach Concept



*“Adoption of **business tools** and the **profit motive**, in order to remain competitive and relevant in their community and marketplace, **without losing sight or commitment** to the reinvestment of profit for the achievement of its **civic, social and environmental mission**”*



Enterprise Approach Concept



What this does not mean!!!!



Enterprise Approach Concept



What this does not mean!!!!



Enterprise Approach Concept



What part of this can I control??

**FIGURE 18: SOURCES OF OPERATING EXPENDITURES
(AVERAGE PERCENTAGE DISTRIBUTION
OF OPERATING EXPENDITURES)**

59%	GENERAL FUND TAX SUPPORT
25%	EARNED/GENERATED REVENUE
8%	DEDICATED LEVIES
3%	OTHER DEDICATED TAXES
2%	OTHER
2%	GRANTS
1%	SPONSORSHIPS



Enterprise Approach Concept



A parks and recreation professional should have one goal!!



Enterprise Approach Concept



How do I
maximize the use
of the facilities,
programs and
services



Enterprise Approach Concept



In order to do this we need to be an:

Entrepreneur

French. *Entreprendre* (n) – “Risk taker”

“Innovator or inventor who can see opportunities and have creative ideas in form of business.”

Enterprise Approach Concept



Innovation

- Process of creating a product, service, or event
- **Invention** brings something new into being
- **Innovation** brings something new into use



Enterprise Approach Concept



Agencies that pursue entrepreneurship are innovative, proactive and are risk takers

How are these agencies viewed in our profession?



Enterprise Approach Concept



Often times as leaders in our industry



Enterprise Approach Concept



Key areas to review:

- Entrepreneurial Mindset
- Organizational Assessment
- Revenue and Reinvestment
- Adoption of Business Tools

Entrepreneurial Mindset



How do we instill an entrepreneurial mindset?



First- need to understand the types of mindsets

Entrepreneurial Mindset



Fixed Mindset

intelligence is static

- **Challenges** ... avoid
- **Obstacles** ... give up
- **Effort** ... no point
- **Criticism** ... deflect
- **Success of others** ...
feel threatened

Growth Mindset

intelligence is developing

- **Challenges**... embraces
- **Obstacles** ... fortitude
- **Effort** ... work hard
- **Criticism** ... learns
- **Success of others** ...
celebrates

*Source: Carol C. Dweck (2006), Mindset: The New Psychology of Success, Random House

Entrepreneurial Mindset



Entrepreneurial mindset

- Invent
- Spot a gap in the market
- Have a new idea
- Improve existing service
- Understand budgets



Entrepreneurial Mindset



Name one program service you have created that could be considered “entrepreneurial” and why?



Entrepreneurial Mindset



The Haunting at Bear Branch makes its return to The Woodlands this year, featuring The Haunted Trail: The Psycho Path.

New this year, Fast Passes are available for purchase. Fast Pass holders will skip the line to start the trail before everyone else. Fast Pass spots open up for purchase on October 1, 2018; limited spots are available. Pre-registration is required and purchases must be finalized 48 hours prior to the trail night. Fast Passes will be \$18 per person and groups are limited to 10 people. There will be no refunds or exchanges once purchased.

Select Activity

Select	Name	Type	Number	Status	Open	Enr	W/L	Primary Fee(s)
<input type="checkbox"/>	Fast Pass - The Haunting: 10/12	Special Events	1031.801	Closed	49	16	0	\$18.00
<input type="checkbox"/>	Fast Pass - The Haunting: 10/13	Special Events	1031.802	Closed	43	11	0	\$18.00
<input type="checkbox"/>	Fast Pass - The Haunting: 10/19	Special Events	1031.803	Closed	51	2	0	\$18.00
<input type="checkbox"/>	Fast Pass - The Haunting: 10/20	Special Events	1031.804	Closed	51	12	0	\$18.00
<input type="checkbox"/>	Fast Pass - The Haunting: 10/26	Special Events	1031.805	Closed	43	9	0	\$18.00
<input type="checkbox"/>	Fast Pass - The Haunting: 10/27	Special Events	1031.806	Closed	Unlimited	10	0	\$18.00

60 fast passes- \$18 each (\$9 additional revenue per pass)=\$540

Entrepreneurial Mindset



What need did the “fast pass” address?

- Time
- Convenience
- Status
- Gap in market
- Value
- Other



Entrepreneurial Mindset



To foster a entrepreneurial mindset culture-remove

- Don't care attitude
- Wait and see attitude
- Subsidy mentality
- Fear of failure
- Change the date ethos

Organizational Assessment



Key areas to review:

- Revenue philosophy
- Expenses
- Programs
- Facilities
- Value added services



Organizational Assessment



Why a revenue philosophy?

- Board driven philosophy
- Consistency among services/programs
- Explores alternative revenue
- Operational guidelines
- Assists staff in determining fee structures



Organizational Assessment



Philosophy based on:

- Who benefits from the service? (Community vs Individual)
- Who generated the need therefore cost?
- Do community values support subsidy?
- Will fee impact demand for the service?



Organizational Assessment



Expenses:

- How can we take an entrepreneurial mindset towards?



Organizational Assessment



Drive out costs through?

- Contracting/outsourcing
- Leasing
- ROI's
- Cost/benefit analysis
- Technology
- Reduce paperwork
- Cost vs Revenue per hour
- Maintenance levels
- Bid management
- Conservation
- New vendors
- Other??

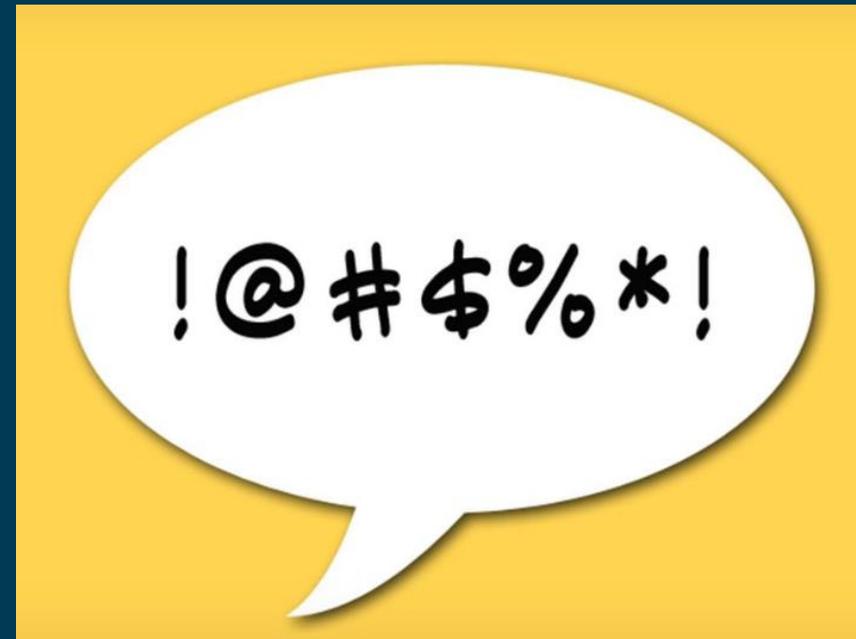


Organizational Assessment



Revenue generating programs

- Revenue is not a dirty word
- Just because you have revenue does not mean you have profit!!



What are some programs that can generate revenue for your agency?

Organizational Assessment



*ALL OF
THEM!!!!!!*

Organizational Assessment



Revenue generating programs-

Do not charge a fee just to charge. Need to understand:

- Revenue philosophy
- Expenses
- Market
- Competition
- Value of program



Organizational Assessment



Revenue generating programs-

How do I increase value in my programs

- Customer service
- Ease of use
- Innovation
- Quality
- Uniqueness
- Other??



Organizational Assessment



How much does it cost for McDonalds/Burger King to make a hamburger?



Organizational Assessment



- Lettuce
- Pickle
- Onions
- Condiments
- Burger
- Bun
- Other????



Organizational Assessment



If we can identify the cost of a hamburger can we not identify the cost of.....



Organizational Assessment



Revenue generating facilities

- **Exclusive use**
- Cost to provide service
- Role of facility in community



What are some facilities that can generate revenue for your agency?

Organizational Assessment



*ALL OF
THEM!!!!!!*

Organizational Assessment



Revenue generating facilities

Low Revenue	Medium Revenue	High Revenue
Pavilions	Gym rental	Marina
Courts (tennis, basketball, volleyball)	Competition field	Golf
Recreation field	Pool Rental	Ice Rink
Field lighting	Lap lane Rental	Water Park
Dog parks	Batting cages	Indoor Fields
Skate Parks	Driving Range	Historical facility
In Line Rink	Adventure Course	Whole facilities

Remember cost to produce the service

Organizational Assessment



- How can I make this a relevant facility?
- How can I innovate with this facility?



Organizational Assessment



Other services

What are services that are provided with limited or no revenue that cost to produce?



Organizational Assessment



Other services

Permits

- Alcohol
- Special events
- Photography
- Wedding
- Inflatable
- Commercial activity
- Boot camps
- Other??

Fees

- Parking
- Boat Ramp
- Transfer Fee
- Late Fee
- Activity Refund
- Resident/Non Resident
- Peak vs Non Peak
- Weekend vs Weekday
- Development fees
- Land dedications

Organizational Assessment

Permits and fees- BE CAREFUL



Organizational Assessment



Be Careful- Part 2-

With fees/permits- still need to

- Provide value
- Enhance the service
- Be unique and innovative



Revenue and reinvestment



If there are new monies coming to parks and recreation what can I do??



Revenue and reinvestment



Can we use the money to:

- Strengthen core business
- Reduce reliance on General Fund
- *Fund new pilot venture*
- Fund services to less affluent communities
- Reserve for capital needs
- Other?



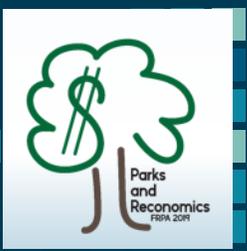
Adoption of business tools



- Strategic Plans
- Evaluation Programs
- Business Plans
- Operational Plans
- Revenue Philosophy
- Needs Assessments
- Revenue Management Plans
- Other.....



Adoption of business tools



Business plan

=

5 W 1 H

+

How many?

+

Is it unique?

+

What's the benefit?

+

Outcome

+

Vision

+

Mission

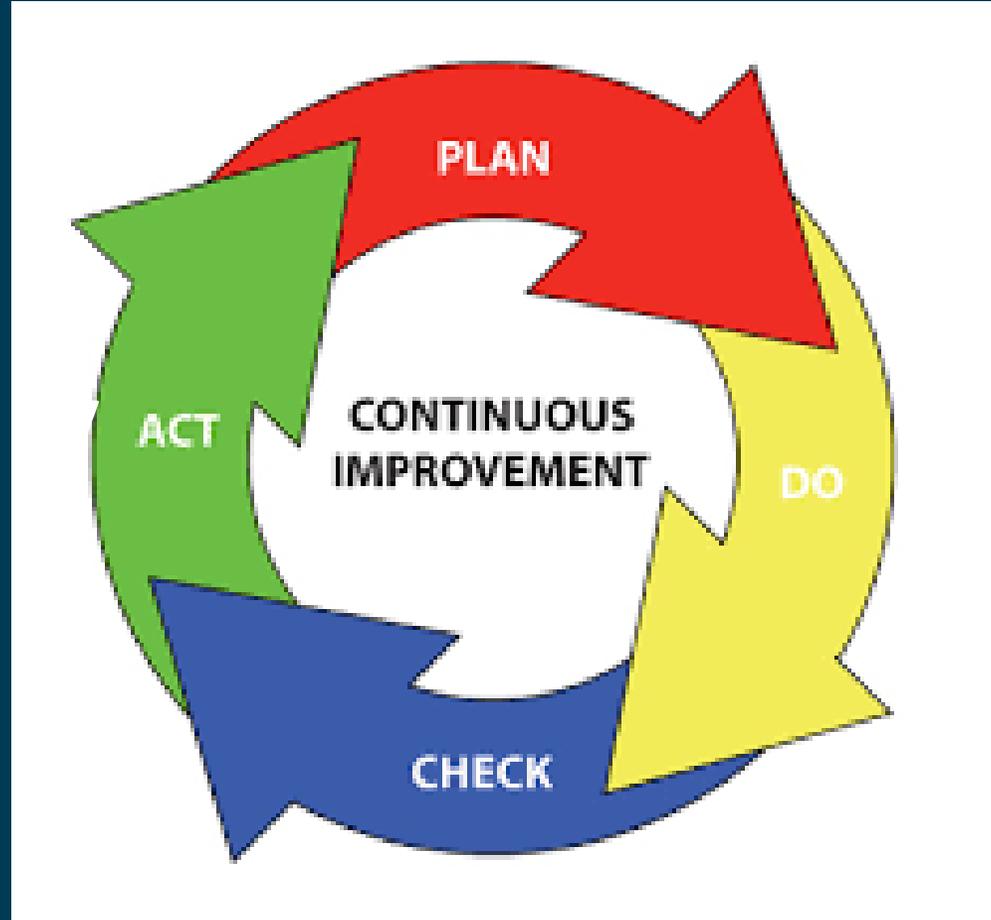
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Goal

Adoption of business tools



What moving from a Municipal to an Enterprise Mind set really means.....



Final Thoughts



There are four categories of people:

- Do not know what happened
- Wonder what happened
- See things happen
- Makes things happen



Which one are you going to be?

Thank you!!!!

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